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COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

ISSUE OF US\$250,000,000 4.750% SENIOR NOTES DUE 2023

ISSUE OF US\$600,000,000 5.125% SENIOR NOTES DUE 2025

Reference is made to the announcement of the Company dated 8 January 2018 in relation to the Notes Issue.

On 9 January 2018, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with the Initial Purchasers in relation to the issue of US\$250,000,000 4.750% senior notes due 2023 and US\$600,000,000 5.125% senior notes due 2025.

The estimated net proceeds of the Notes Issue, after deducting the underwriting discount and other estimated expenses payable by the Group in connection with the Notes Issue, will be approximately US\$839.3 million, which the Company intends to use for early redemption of the 2023 Notes and general working capital purposes.

Applications have been made for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or any other subsidiary or associated company of the Company, or the Notes or the Subsidiary Guarantees.

Reference is made to the announcement of the Company dated 8 January 2018 in relation to the Notes Issue.

The Board is pleased to announce that on 9 January 2018, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with the Initial Purchasers in connection with the issue of US\$250,000,000 4.750% senior notes due 2023 and US\$ 600,000,000 5.125% senior notes due 2025.

THE PURCHASE AGREEMENT

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors who will guarantee the Company's obligations under the Notes;
- (c) the Subsidiary Guarantor Pledgors who will pledge the capital stock of other Subsidiary Guarantors held by them to secure the obligations under their respective Subsidiary Guarantees; and
- (d) the Initial Purchasers.

Goldman Sachs and J.P. Morgan are the joint global coordinators of the Notes Issue and Goldman Sachs, J.P. Morgan, BNP PARIBAS and BOC International are the joint bookrunners and joint lead managers of the Notes Issue. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Goldman Sachs, J.P. Morgan, BNP PARIBAS and BOC International is an independent third party and not a connected person of the Company and its connected persons.

The Notes have not been and will not be registered under the U.S. Securities Act. The Notes will only be offered outside of the United States to non-U.S. persons in compliance with Regulation S under the U.S. Securities Act. The Notes will not be offered to the public in Hong Kong or be placed to any connected persons of the Company.

Principal terms of the Notes

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|------------------------------|--|
| Issuer: | the Company |
| Aggregated principal amount: | (i) in respect of the January 2023 Notes, US\$250,000,000; and
(ii) in respect of the January 2025 Notes, US\$600,000,000. |
| Offer price: | (i) in respect of the January 2023 Notes, 100.000% of the principal amount of the January 2023 Notes and accrued interest, if any; and
(ii) in respect of the January 2025 Notes, 99.565% of the principal amount of the January 2025 Notes and accrued interest, if any. |

Settlement date:	17 January 2018
Interest rate:	(i) in respect of the January 2023 Notes, 4.750% per annum, payable semi-annually in arrears on 17 January and 17 June of each year, commencing on 17 June 2018; and (ii) in respect of the January 2025 Notes, 5.125% per annum, payable semi-annually in arrears on 17 January and 17 June of each year, commencing on 17 June 2018.
Maturity:	(i) in respect of the January 2023 Notes, 17 January 2023; and (ii) in respect of the January 2025 Notes, 17 January 2025.
Subsidiary Guarantees:	guarantees will be provided by the Subsidiary Guarantors

The Notes are general obligations of the Company and guaranteed by the Subsidiary Guarantors on a senior basis. The Notes are senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes and rank at least *pari passu* in right of payment with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law). The Notes are also effectively subordinated to (i) the other secured obligations of the Company and the Subsidiary Guarantors, to the extent of the value of the assets (other than the collateral created under the Notes) serving as a security therefor; and (ii) all existing and future obligations of the subsidiaries of the Company other than the Subsidiary Guarantors.

Covenants

The Notes, the Indentures and the guarantees to be provided by the Subsidiary Guarantors will limit the Company's ability and the ability of its restricted subsidiaries to, among other things:

- (a) incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- (b) declare dividends on its capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (d) issue or sell capital stock of restricted subsidiaries;
- (e) guarantee indebtedness of restricted subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;

- (i) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates; and
- (k) effect a consolidation or merger.

Events of default

The events of default under the Notes include, among other things:

- (i) default in the payment of principal;
- (ii) default in the payment of interest;
- (iii) default in the performance or breach of the provisions of certain covenants, the failure by the Company to make or consummate an offer to purchase in the manner described in the Indentures, or the failure by the Company to create, or cause its restricted subsidiaries to create, a first priority lien on the collateral (subject to any permitted liens and the intercreditor agreement) under the Indentures;
- (iv) defaults in the performance or breach of any covenant or agreement in the Indentures or under the Notes (other than a default specified in (i), (ii) or (iii) above);
- (v) there occurs with respect to any indebtedness of the Company or any restricted subsidiary having an outstanding principal amount of US\$20,000,000 or more in the aggregate for all such indebtedness (a) an event of default that has caused the holder of such indebtedness to declare such indebtedness to be due and payable prior to its stated maturity and/or (b) the failure to make a principal payment when due;
- (vi) one or more final judgments or orders for the payment of money are rendered against the Company or any of its restricted subsidiaries and are not paid or discharged;
- (vii) involuntary bankruptcy or insolvency proceedings commenced against the Company or any significant restricted subsidiary;
- (viii) voluntary bankruptcy or insolvency proceedings commenced by the Company or any significant restricted subsidiary;
- (ix) any Subsidiary Guarantor denying or disaffirming its obligations under its guarantee securing the obligations of the Notes or, except as permitted by the Indentures, any such guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;
- (x) default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under such relevant security documents or the Indentures, which adversely affects the enforceability, validity, perfection or priority of the applicable lien on the collateral or which adversely affects the condition or value of the collateral, taken as a whole, in any material respect; and

- (xi) the Company or any Subsidiary Guarantor Pledgor denying or disaffirming its obligations under any relevant security document or, other than in accordance with the Indentures and such relevant security documents, any such relevant security document ceasing to be or is not in full force and effect or the intercreditor/collateral agent or the trustee, as the case may be, ceasing to have a first priority security interest in the collateral given under the Notes (subject to any permitted liens and the intercreditor agreement).

Redemption

January 2023 Notes

At any time and from time to time on or after 17 January 2021, the Company may redeem the January 2023 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve months period beginning on 17 January of each of the years indicated below:

Period	Redemption price
2021	102.3750%
2022	101.1875%

At any time prior to 17 January 2021, the Company may at its option redeem the January 2023 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the January 2023 Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to 17 January 2021, the Company may redeem up to 35% of the aggregate principal amount of the January 2023 Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 104.750% of the principal amount of the January 2023 Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the January 2023 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and subject to certain conditions.

January 2025 Notes

At any time and from time to time on or after 17 January 2022, the Company may redeem the January 2025 Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve months period beginning on 17 January of each of the years indicated below:

Period	Redemption price
2022	102.56250%
2023	101.28125%
2024 and thereafter	100.00000%

At any time prior to 17 January 2022, the Company may at its option redeem the January 2025 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the January 2025 Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to 17 January 2022, the Company may redeem up to 35% of the aggregate principal amount of the January 2025 Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 105.125% of the principal amount of the January 2025 Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the January 2025 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and subject to certain conditions.

Proposed use of proceeds

The estimated net proceeds of the Notes Issue, after deducting the underwriting discount and other estimated expenses payable by the Group in connection with the Notes Issue, will be approximately US\$839.3 million, which the Company intends to use for early redemption of the 2023 Notes and general working capital purposes.

Listing

Applications have been made for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or any other subsidiary or associated company of the Company, or the Notes or the Subsidiary Guarantees.

Ratings

The Notes have been provisionally rated BBB- by Fitch Ratings Inc.

ABOUT COUNTRY GARDEN

The Group is one of the leading integrated property developers in the PRC, with substantially all of the Group's assets and operations based in the PRC. The Group's primary business is the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. As an integrated property developer, the Group's lines of business also include construction, installation as well as property management. Ancillary to the Group's projects, the Group also develops and manages hotels within some of the Group's projects to enhance their potential for value appreciation. The residential home projects of the Group are generally located in the suburban areas of first-tier cities, and in the newly urbanised town centres of second- and third-tier cities in the PRC. The Group has expanded its operations into Malaysia and Australia in December 2011 and October 2013, respectively, and the Group started construction of its first project in Indonesia during the first quarter of 2017.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“2023 Notes”	US\$750 million 7.50% senior notes due 2023 issued by the Company on 10 January 2013;
“BNP PARIBAS”	BNP Paribas;
“BOC International”	BOCI Asia Limited;
“Board”	the board of Directors;
“Company”	Country Garden Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 2007);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C.;
“Group” or “Country Garden”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“J.P. Morgan”	J.P. Morgan Securities plc;
“Indentures”	the indentures to govern each of the Notes;
“Initial Purchasers”	Goldman Sachs, J.P. Morgan, BNP PARIBAS and BOC International;
“January 2023 Notes”	US\$250,000,000 4.750% senior notes due 2023 to be issued by the Company;
“January 2025 Notes”	US\$600,000,000 5.125% senior notes due 2025 to be issued by the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Notes”	the January 2023 Notes and the January 2025 Notes;

“Notes Issue”	the issue of the Notes by the Company;
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement;
“Purchase Agreement”	the agreement dated 9 January 2018 entered into between, among others, the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors and the Initial Purchasers in relation to the Notes Issue;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary Guarantees”	guarantees to be provided by the Subsidiary Guarantors;
“Subsidiary Guarantors”	certain existing subsidiaries of the Group providing guarantees for the Notes;
“Subsidiary Guarantor Pledgors”	each a Subsidiary Guarantor that will pledge the capital stock of other Subsidiary Guarantors held by it to secure the obligations of such Subsidiary Guarantor under its Subsidiary Guarantee;
“US\$”	United States dollar, the lawful currency of the United States of America;
“U.S. Securities Act”	the United States Securities Act of 1933, as amended; and
“%”	per cent.

By order of the Board
Country Garden Holdings Company Limited
MO Bin
President and Executive Director

Foshan, Guangdong Province, the PRC, 10 January 2018

As of the date of this announcement, the executive directors of the Company are Mr. YEUNG Kwok Keung (Chairman), Ms. YANG Huiyan (Vice Chairman), Mr. MO Bin (President), Ms. YANG Ziyang, Mr. YANG Zhicheng, Mr. XIE Shutai, Mr. SONG Jun, Mr. LIANG Guokun and Mr. SU Baiyuan. The non-executive director of the Company is Mr. CHEN Chong. The independent non-executive directors of the Company are Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. TONG Wui Tung, Mr. HUANG Hongyan, Mr. MEI Wenjue and Mr. YEUNG Kwok On.